

HB 3092 -7 STAFF MEASURE SUMMARY

House Committee On Water

Prepared By: Allison Daniel, LPRO Analyst

Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/25, 3/30

WHAT THE MEASURE DOES:

Requires Water Resources Department to establish grant program for the purpose of sharing the cost of remediating reductions in amount of ground water available for domestic personal use in the Greater Harney Valley Groundwater Area of Concern (GWAC) due to overallocation of ground water for agriculture use. Requires Department to develop process for grant applications and criteria for grantee selection. Requires Department to award grants up to \$10,000 per grantee for replacement or repair of domestic personal well affected by declining ground water levels within Greater Harney Valley GWAC, and up to 75 percent of cost of replacing or repairing well. Allows Department to require grantee to report to Department on use of grant funds. Requires Department to review grant program on biennial basis. Establishes all moneys in Domestic Well Remediation Fund (Fund) are appropriated to Department to carry out purposes of this Act. Appropriates \$500,000 to Department, for biennium beginning July 2, 2021, to deposit into the Fund.

ISSUES DISCUSSED:

- Overallocation of water rights within Harney Basin
- Current percentage of domestic well users in Harney Basin
- Cost of addressing domestic water needs in the Harney Basin
- Potential for expanding program to other basins in the state

EFFECT OF AMENDMENT:

-7 Makes technical corrections. Directs Water Resources Department (WRD) to establish program for replacing, repairing, or deepening domestic personal use wells affected by declining ground water levels resulting from overallocation of ground water within the Greater Harney Valley Groundwater Area of Concern (GWAC). Authorizes WRD to: enter into contracts, intergovernmental agreements, or other arrangements with public or private entities to collaboratively award grants for costs or services related to replacement, repairment, or deepening of wells; and require grant recipient to report use of funds to WRD. Directs WRD to: develop process for applying for a grant or payment; biennially review program and report to Water Resources Commission (Commission) on program implementation and outcomes; and, based on the report, modify program as necessary. Allows grant to provide up to 75 percent of total cost of replacing, repairing, or deepening well, not to exceed \$10,000. Requires, if replacement of well is funded in whole or in part by program, replaced well be abandoned and allows grant to provide up to \$3,500 for this purpose. Directs WRD, in reviewing applications for grant, to prioritize grants or payments for wells owned by or serving persons of lower or moderate income and for wells based on severity of changes and declines in ground water. Establishes that funding eligibility includes, but is not limited to, domestic personal use wells affected by declining ground water levels within Greater Harney Valley GWAC and wells that have served domestic personal use at a residence existing as of April 15, 2016. Directs Commission to adopt a definition for the term 'Greater Harney Valley Groundwater Area of Concern.' Directs WRD to make initial program report on or before January 1, 2024.

FISCAL: May have fiscal impact, but no statement yet issued.

REVENUE: No revenue impact.

BACKGROUND:

The Greater Harney Valley Area is a drainage basin located almost entirely in Harney County, including Malheur Lake and Harney Lake. In 2015, initial groundwater level data analysis and aquifer recharge estimates indicated annual groundwater use and other discharge likely exceeded annual recharge in the Greater Harney Valley Area. The Oregon Water Resources Commission adopted a rule to limit pending and new applications for groundwater uses in the Malheur Basin that went into effect on April 15, 2016. The Commission also established the Greater Harney Valley Groundwater Area of Concern (GWAC) to ensure that groundwater in the area was appropriated within the limits of available water resources and to maintain reasonably stable groundwater levels to protect existing water users.

House Bill 3092 would require the Water Resources Department to establish a grant program intended to share the cost of remediation for reduced ground water availability in the Greater Harney Valley GWAC due to overallocation of ground water resources.